

November 3, 2009, Referendum Election
Treasurer's Statement

The State of Maine borrows money by issuing bonds. Bonding is a multi-step process which can generally be described as follows:

1. The Legislature decides what it believes should be funded from bond proceeds (money acquired from the sale of bonds) and puts the bonds out for voter approval as required by the State Constitution.
2. The voters, at a statewide election, approve or reject each bond proposal.
3. The State Treasurer issues bonds to pay for those projects approved by the voters or otherwise authorized by the Constitution. A person or institution purchasing the bonds is, in effect, loaning the State of Maine money in return for interest payments during the term of the bond.
4. The Treasurer distributes the money acquired from the sale of bonds in accordance with the legislation authorizing bonds for approved projects.
5. The Treasurer makes payments twice yearly to bond purchasers until the debt is retired.

The following is a summary of the general obligation bond debt of the State of Maine as of **September 1, 2009**.

Bonds Outstanding (Issued and Maturing through 2019):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Highway Fund	\$120,345,000.00	\$ 25,637,702.20	\$145,982,702.20
General Fund	<u>\$387,345,000.00</u>	<u>\$ 58,431,955.37</u>	<u>\$445,776,955.37</u>
Total	\$507,690,000.00	\$ 84,069,657.57	\$591,759,657.57

9/1/2009 Unissued Bonds Authorized by Voters:	\$ 83,439,000.00
--	-------------------------

Unissued Bonds Authorized by the Constitution and Laws:	\$ 99,000,000.00
--	-------------------------

Total Unissued Bonds:	\$182,439,000.00
------------------------------	-------------------------

Less Bond Anticipation Notes Issued this Fiscal Year:	\$ -
--	-------------

Total Available from Authorized but Unissued:	\$182,439,000.00
--	-------------------------

Total Amount that must be paid in the present fiscal year for Bonded Debt already Outstanding (for FY2010):	\$106,976,462.09
--	-------------------------

If the bonds submitted here are approved by voters and issued for the full statutory period authorized, an estimate of the total interest and principal that may reasonably be expected to be paid is **\$90,843,750.00**, representing **\$71,250,000.00** in principal and **\$19,593,750.00** in interest.



David Lemoine, Treasurer of State